



# **Safeguarding IRS *e-file***

**Presented By**

**Grace E. Davis, W&I SPEC,  
Janis Ribolla, SBSE Compliance  
and  
Vince Simone, Appeals**

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# Safeguarding IRS *e-file* from Fraud and Abuse

## IRS and Authorized IRS *e-file* Providers

- Share responsibility
- Benefit from resulting taxpayer confidence in e-file



# IRS Safeguards e-file from Fraud and Abuse

## IRS

- Screens applicants and participants in e-file
- Monitors Providers
- Other initiatives
- e-file rules



# IRS Safeguards e-file from Fraud and Abuse

## e-file Rules

- Revenue Procedure 2000-31
- Publication 1345, 1345A and other publications
- IRS web site at [www.irs.gov](http://www.irs.gov)
- QuickAlerts



# Providers Safeguard e-file from Fraud and Abuse

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## Providers

- Responsible for every e-file return originated or transmitted
- Ensure Responsible Official is “responsible”
- Adhere to IRS *e-file* rules



# Providers Safeguard e-file from Fraud and Abuse

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## Prepare Quality Returns

- Provide appropriate training to employees
- Conduct thorough interviews with taxpayers
- Review return preparation practices



# Providers Safeguard e-file from Fraud and Abuse

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## Recognize and Prevent Fraud and Abuse

- Confirm identities and ITINs of taxpayer and dependents
- Identify false/fraudulent documents
- Identify EITC abuse, false Sch. C's & schemes



# Providers Safeguard e-file from Fraud and Abuse

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## Report fraud and abuse to IRS

- Fax false/fraudulent documents to CI
- Call CI Hotline 800-829-0433
- Contact your local IRS *e-file* Monitoring Coordinator





# Sanctioning for Failure to Safeguard e-file

## Sanctions

- Preparer penalties under IRC. 6694, 6695, and 6701
- Prosecution for criminal offenses
- Disciplinary action by Office of Professional Responsibility



# Sanctioning for Failure to Safeguard e-file

## e-file Sanctions

- Reprimand, suspension or expulsion from e-file
- Monitoring Visits
- Administrative Review



# Sanctioning for Failure to Safeguard e-file

## Appeals

- Respond within 30 days
- Provide explanation, additional information, and supporting documentation



# Sanctioning for Failure to Safeguard e-file

## Appeals

- Considers denials, suspensions, and expulsions
- Determines if e-file rules applied correctly as outlined in Revenue Procedure and related publications